



**THE DELAWARE ECONOMIC DEVELOPMENT
AUTHORITY**

APPLICATION

FOR

REVENUE BOND FINANCING

Delaware Economic Development Office
99 Kings Highway
Dover, Delaware 19901
(302) 739-4271

GENERAL INSTRUCTIONS

This application form requests information that will enable the Council on Development Finance (the "Council"), in its advisory capacity to The Delaware Economic Development Authority (the "Authority"), and the Authority to make a prompt decision on your request for revenue bond financing.

The application process involves the following:

- Communicating with the staff of the Delaware Economic Development Office ("DEDO") for advice or to schedule an appointment for assistance. The timely processing of an application often depends upon this initial step.
- Submitting one complete original application and twelve (12) copies to the Authority at least six (6) weeks prior to the Council meeting at which you are requesting that your application be considered. (The application and all copies must be complete and include all required exhibits. Failure to include all required information and exhibits may delay the processing and consideration of your application.).
- Paying a non-refundable application fee in the amount of \$250.00 at the time your application is submitted. Please make your check payable to "The Delaware Economic Development Authority."

Depending on the nature of your application, some items on the following pages and certain exhibits may not be applicable to your application. Please use "N/A" to indicate any such inapplicable items.

If the Authority determines that your application potentially qualifies for issuance of one or more bonds, the Council will hold a public hearing concerning the application following notice of such hearing published in one or more newspapers. If the Authority approves issuance of a bond or bonds, that approval may be for a specific length of time, generally a few months, within which the bond or bonds must be issued.

No assurance can be given by the Authority that its approval of an application will result in a bond being issued. For example, no bond can be issued without formal approval by the elected official of the State of Delaware designated for that purpose. As a further example, the Authority is subject to an annual limitation on the total dollar volume of certain types of bonds that it can issue. No assurance can be given that the Authority's volume cap will not have been consumed prior to the issuance of any bond that may be approved for you.

To the extent permitted by Delaware's Freedom of Information Act, all information contained in this application or obtained by the Authority in investigating or considering this application will be kept confidential, except for disclosure to the Council, to the staff and attorneys of the Authority and DEDO, and to the elected official who must approve the issuance of a bond in connection with this application and to his or her staff, and except for disclosures made at the public hearing of the Council and in any published notice of such hearing. If a bond is issued for your project, confidentiality may also be affected by any information reporting and other requirements imposed on the Authority by the Internal Revenue Code.

I. General Information

- Applicant:
Name: _____

Address: _____

Telephone: _____
- Form of Organization:

____ Individual(s) ____ Corporation ____ Limited Liability Company
____ General Partnership ____ Business Trust ____ Limited Partnership
____ Other (Specify) _____

Tax I.D. No. _____

Delaware Business License No and Type: _____

If a corporation, general or limited partnership, limited liability company, business trust or other statutorily created entity, please provide date and state of incorporation or formation:

- ***Certificate of Good Standing and Business License – please attach the following:***

- (1) An original Certificate of Good Standing issued by the Division of Corporations of the Delaware Secretary of State's office within the thirty-day period before the date of the application. Attach as Exhibit A.
- (2) A copy of the business license issued by the Division of Revenue of the Delaware Department of Finance. Attach as Exhibit B.

NOTE: Certificate of Good Standing is not available for sole proprietorships or some general partnerships, but is for all other entities.

- **Applicant's Representative to be contacted for additional information: (e.g., officer, partner, attorney, accountant)**

Name: _____ Title: _____

Address: _____

Telephone: _____

- **Applicant's Legal Counsel:**

Name: _____ Firm: _____

Address: _____

Telephone: _____

II. CREDIT REFERENCES

Please provide three (3) trade supplier and three (3) bank credit references. Be sure to indicate for whom each reference is given. (For example, if the Applicant is newly formed and reference is for a person or entity other than the Applicant, please so indicate.).

Supplier Credit References:

Credit in the Name of : _____

1. Company: _____ Contact: _____

Address: _____

Telephone: _____

Credit in the Name of : _____

2. Company: _____ Contact: _____

Address: _____

Telephone: _____

Credit in the Name of : _____

3. Company: _____ Contact: _____

Address: _____

Telephone: _____

Bank Credit References:

Credit in the Name of: _____

1. Primary Bank: _____ Contact: _____

Address: _____

Telephone: _____

Credit in the Name of : _____

2. Institution: _____ Contact: _____

Address: _____

Telephone: _____

Credit in the Name of : _____

3. Institution:_____Contact:_____

Address: _____

Telephone:_____

III. **APPLICANT INFORMATION**

- **History and Description of Business:** Please provide background information regarding the history of the Applicant, its principal products or services, and present business goals. Attach as Exhibit C. [If the Applicant is a tax-exempt organization described in Section 501(c)(3) of the Internal Revenue Code, provide on Exhibit A, a description of the purposes and activities of the Applicant and attach as part of Exhibit C, a copy of the letter by which the Internal Revenue Service recognized the Section 501(c)(3) status of the Applicant.]

- **Management and Ownership:** Please provide the following information:

Please provide the following information:

1. List all officers, directors, or managing members, general partners, trustees or other person with the right to manage the business of the applicant and provide the information requested (if applicable) for each such person.

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

2. List all stockholders, limited liability company members, limited partners, business trust beneficial interest holders or other beneficial owners of the applicant owning 10% or more of the voting power or value of interests of any kind in the applicant and provide the information requested (if applicable) in the column headings below for each such person. If the applicant is a publicly held entity, please provide the latest annual report of the applicant.

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

3. List all persons under control by, having control over or under common control with the applicant, and provide the information requested (if applicable) in the column headings below for each such person. For purposes of this questions, "control" means the right to cast 51% or more of the voting power associated with stock, limited liability company interests, general or limited partnership interests, beneficial interests in statutory or common law business trusts, or any other form of ownership.
Use a separate page if necessary and attach as Exhibit C-I.

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

Name (list first, middle, last):

Taxpayer ID or Address (include zip code):

Social Security Number:

Office held:

% of Ownership:

- *Historical Financial Statements:* Please attach as Exhibit D copies of the Applicant's annual financial statements for its past three (3) fiscal years and latest available interim financial statements. If the Applicant is a newly-formed corporation, please provide such financial statements for its parent company or, if there is no parent company, financial statements for all 20 percent-or-more shareholders. If the Applicant is a partnership, please also provide current financial statements for all general partners. The Authority may request that additional financial information be furnished.

IV. DESCRIPTION OF PROPOSED PROJECT

- The proposed project is:

- _____A new business in Delaware;
- _____An expansion of an existing Delaware business;
- _____A relocation of an existing Delaware business within Delaware; or
- _____A relocation of an existing out-of-state business to Delaware.

- Please attach as Exhibit E a short, concise description of the proposed project.
- Please attach as Exhibit F pro-forma balance sheets and income statements reflecting the projected operation of the project for the next three (3) years.

V. SITE SPECIFICATIONS

- Provide a general description of the project location, including street address, if possible, and indicate whether in an incorporated area:

- Project site's approximate land area: _____acres or _____square feet.
- Is the project site within Delaware's Coastal Zone? _____. If yes, please contact the Delaware Economic Development Office for information regarding additional requirements.
- What is the current zoning classification of the project site? _____. Does the current zoning classification permit the proposed use of the project site? _____. If no, explain briefly how you propose to deal with this matter. _____

- Who is the present owner of the project site?

Name: _____

Address:_____

Telephone:_____

- Has the Applicant entered into a sales contract or an option to purchase the project site?_____. If yes, please attach copy of contract or option as Exhibit G.

VI. BUILDING AND EQUIPMENT

- If the project involves new construction, please provide as Exhibit H the approximate size of each building, number of floors, building floor area, and type of construction.
- If the project involves the acquisition of an existing building, please provide as Exhibit I a general description of planned rehabilitation expenditures with respect to such building, the anticipated dollar amount of such rehabilitation expenditures, and the date by which such rehabilitation expenditures are expected to be completed.
- If the project involves a manufacturing facility, please indicate how the facility will be used in the manufacturing process and identify the product or _____ products _____ that _____ will _____ be manufactured:_____

- If the project involves farm land or equipment, attach as Exhibit J a statement containing a description of:
 1. The specific purposes for which such farm land or equipment will be used;
 2. The extent of the Applicant's participation in the operation of the farm; and

3. The Applicant's direct or indirect ownership interest in any farm land other than the land to be financed with Authority bond(s).

*To qualify for the "first-time farmer" exception, the Applicant cannot at any time have had a direct or indirect ownership interest in "substantial farmland" in the operation of which the Applicant materially participated. For purposes of this rule, the following sizes of parcels of farm land are considered "substantial": in New Castle County, 13.0 acres; in Kent County, 13.5 acres; and in Sussex County, 7.5 acres.

- Please describe any equipment to be purchased with respect to the project, and the proposed use of any such equipment: _____

- Are existing utilities, water, and sewage adequate for your project? _____. Are any air, water, or special solid waste permits required? _____. If any utilities are inadequate or any permits required, briefly describe: _____

VII. SOURCES OF FINANCING FOR THE PROJECT

(Do not include Working Capital)

Financing Sources of Project Costs:	Term In Years	Interest Rate	Amount
Proceeds of Authority bond(s)	_____	_____	\$_____
Applicant's equity Investment (Omit working capital)	_____	_____	\$_____
Other funding from	_____	_____	\$_____
TOTAL			\$_____

**Sources of Working
Capital for the Project:**

Applicant's funds	\$_____
Funds from _____	\$_____
TOTAL	\$_____

VIII. TOTAL PROJECT COSTS
(Do not include Working Capital)

Bonds	Total Cost	Amount to be financed with proceeds of Authority
Land Acquisition*	\$_____	\$_____
Site Improvements (e.g. demolition, grading, paving, landscaping)	_____	_____
Utility installation (roads and appurtenant facilities)	_____	_____
Construction (New Buildings)	_____	_____
Existing Buildings:		
(a) Acquisition of Existing Building(s)	_____	_____
(b) Rehabilitation Expenditures for Existing Building(s)	_____	_____
Machinery and Equipment:		
(a) Acquisition of new Machinery and Equipment	_____	_____

(b)	Acquisition of Used Machinery and		
	Equipment**	_____	_____
(c)	Rehabilitation Expenditures for Used Machinery and Equipment	_____	_____
	Engineering and Architectural Fees	_____	_____
	Bond Issuance Costs*** (including underwriting, financing, and legal fees) and Other Closing Costs	_____	_____
	Other (Specify):_____	_____	_____
	Total Project Costs	\$_____	\$_____

Have any of the above project costs already been paid or incurred? _____. If yes, please identify the expenditures made to date. Attach as Exhibit K.

*If a purchase contract includes the acquisition of both land and property, there must be an allocation of the purchase price between the land and the other property.

**Bond proceeds can be used to acquire used equipment and machinery only if the bond qualifies for the "first-time farmer" exception or is a "qualified 501(c)(3) bond."

***Bond proceeds used to pay issuance costs may not exceed 2 percent of the aggregate face amount of the bond(s) issued.

IX. LETTER OF INTENT

All applications must include a "Letter of Intent" from a financial institution. The letter may be provided by the bank issuing the letter of credit, underwriter, bond purchaser or other guarantor.

X. EMPLOYMENT EFFECT

To assist the Authority in evaluating your project's contribution to Delaware's employment, if any, please estimate the full-time positions that will be created by this project:

Your Project's Anticipated Employment

Job Classification	Applicant's Present Employment	After 1 year From Completion	After 3 years From Completion
Management	_____	_____	_____
Production	_____	_____	_____
_____	_____	_____	_____
_____	_____	_____	_____
Total	_____	_____	_____

If any part-time or seasonal jobs will be created by your project, please attach as Exhibit L a description of such jobs.

XII. OPINION LETTERS

Attach as Exhibit M a signed opinion letter from the Applicant's legal counsel to the Authority, as follows:

"To my (our) knowledge after due inquiry, I (we) hereby state that neither the Applicant nor any assisted person (as defined by Title 29, Delaware Code, Chapter 50, Subchapter IV) with respect to the (Name of Proposed Project) has been convicted by any state or federal agency or court of major labor law violation or of illegal conduct involving moral turpitude within two (2) years prior to the date of the Applicant's application to The Delaware Economic Development Authority for bond financing."

"I (we) further state that, to my (our) knowledge after due inquiry, no provision of any collective bargaining agreement or state or federal labor law provides any basis for an injunction or other action against the Applicant or any assisted person if operations are moved to the proposed project." (***State this paragraph if applicable***)

"I (we) further certify that I (we) have reviewed the "Legal Representations" made in Section "XIII" of the Applicant's application to The Delaware Economic Development Authority for bond financing and, to

my (our) knowledge after due inquiry, I (we) am (are) aware of no information contrary to the responses made therein.”

XII. LEGAL REPRESENTATIONS

Have all approvals and permits from all government agencies necessary for the Project been obtained? ____ If not, please list all approvals and permits that have not been obtained and indicate when it is anticipated that they will be obtained. _____

During the past two (2) years, has the Applicant, the Assisted Person, as defined in 29 Del. C. § 5052(2), if different from the Applicant, or any person listed above in Section III under “Management and Ownership,” or, if applicable to the knowledge of the Applicant, any proposed lessor of the project:

1. Been the subject of, or a party to, any formal or informal inspection, inquiry, investigation, administrative proceeding, criminal prosecution or civil litigation by any federal or state agency administering, or private person seeking relief under, state or federal statutes, regulations or rules governing collective bargaining, hours of labor, working conditions, industrial hygiene and safety, minimum wage standards, discrimination in wages, child labor, unemployment insurance, workers’ compensation or other labor law matters?

_____ Yes _____ No

2. Been the subject of, or a party to, any formal or informal inspection, inquiry, investigation, administrative proceedings, criminal prosecution or civil litigation by any federal or state agency administering, or private person seeking relief under, state or federal environmental statutes, regulations, rules?

_____ Yes _____ No

3. Been the subject of, or a party to, any formal or informal inspection, inquiry, investigation, administrative proceeding, criminal prosecution or civil litigation by any state or federal law enforcement, regulatory or administrative agency for the criminal or civil violation of any federal or state statute, regulation, rule or the terms of any license or permit issued by a federal or state agency, including the failure to hold such a license or permit?

_____ Yes _____ No

4. Been the defendant in any civil litigation in which any type of fraud, misrepresentation, unfair or deceptive trade practices were alleged?

_____ Yes _____ No

5. Been debarred or suspended from contracting with any state or federal agency or from receiving financial assistance from any state or federal agency?

_____ Yes _____ No

6. Been denied any license or permit or had any license or permit revoked or suspended by any federal, state or local agency or governmental body?

_____ Yes _____ No

7. Been convicted of, any crime or criminal offense?

_____ Yes _____ No

8. Filed a voluntary petition in bankruptcy or had an involuntary petition in bankruptcy filed against the Applicant, in any bankruptcy court, or been subject to any other state or federal insolvency or receivership proceedings?

_____ Yes _____ No

If the answer to any of the questions in item XII above is "yes," furnish details on a separate page and attach as Exhibit XII.

XIII. MISC. INFORMATION

Please list below a tentative schedule for this project.

Example:

August 2, 1993	Initial meeting with all parties;
August 11, 1993	Document review session #1;
September 8, 1993	TEFRA hearing;
September 10, 1993	Issue Preliminary Official Statement;
September 20, 1993	Bond pricing; and
October 4, 1993	Bond closing.

Date

Activity

_____	_____
_____	_____
_____	_____
_____	_____
_____	_____
_____	_____

Please complete the following: (Use "n/a" if the information is not applicable)

ISSUER

The Delaware Economic Development Authority
99 Kings Highway
Dover, DE 19901

Judy McKinney- Cherry
Chairperson

Telephone: (302) 739-4271
Fax: (302) 739-5749

ISSUER'S COUNSEL

Elio Batista, Esquire
Deputy Attorney General
State of Delaware, Department of Justice
820 N. French Street
8351
Wilmington, DE 19801
Email: elio.batista@state.de.us

Telephone: (302) 577-
Fax: (302) 577-6630

BORROWER

NAME:_____

ADDRESS:_____

CONTACT:_____TELEPHONE:_____

FAX:_____

BOND COUNSEL

NAME:_____

ADDRESS:_____

CONTACT:_____TELEPHONE:_____

FAX:_____

BORROWER'S BOND COUNSEL

NAME:_____

ADDRESS:_____

CONTACT:_____TELEPHONE:_____

FAX:_____

FEASIBILITY CONSULTANT

NAME:_____

ADDRESS:_____

CONTACT:_____TELEPHONE:_____

FAX:_____

FINANCIAL ADVISOR

NAME:_____

ADDRESS:_____

CONTACT:_____TELEPHONE:_____

FAX:_____

UNDERWRITER

NAME: _____

ADDRESS: _____

CONTACT: _____ TELEPHONE: _____

FAX: _____

UNDERWRITER'S COUNSEL

NAME: _____

ADDRESS: _____

CONTACT: _____ TELEPHONE: _____

FAX: _____

TRUSTEE

NAME: _____

ADDRESS: _____

CONTACT: _____ TELEPHONE: _____

FAX: _____

TRUSTEE'S COUNSEL

NAME: _____

ADDRESS: _____

CONTACT: _____ TELEPHONE: _____

FAX: _____

XIII. CERTIFICATION AND AFFIRMATION

The Applicant hereby acknowledges and agrees that the Authority reserves the right to and may disclose any information contained in this application and its supporting documents to the Council to the staff and attorneys of the Authority and the Delaware Economic Development Office, at any public hearing held on this application by the Council, in any published public notice of such hearing, and that this application is subject to the Delaware Freedom of Information Act.

The Applicant hereby agrees, if this application is approved, to comply with all federal, state, and local laws affecting the loan to be issued and the operation of the proposed project. As part of this agreement, the Applicant agrees to use its best efforts in good faith to meet all employment projections set forth herein and to give the first opportunity of employment to qualified Delaware residents for all unskilled and semi-skilled workers employed by the Applicant. The Applicant agrees to report to the Authority, no later than August 31 of the year following the start of its operation of the project, the total number of its unskilled and semi-skilled employees and the number of its unskilled and semi-skilled employees who were residents of Delaware at the time of their employment.

The Applicant hereby agrees that, in evaluating Applicant's application for assistance, any officers, employees, agents or attorneys of the Authority or the Delaware Economic Development Office ("DEDO") may have access to and copy any and all information in any form pertaining to Applicant, including, but not limited to, tax returns and information from tax returns as used in 30 Del. C. §368, in the custody of any State of Delaware, or other State or federal, department, agency, instrumentality, division, office, board, bureau, council, commission, committee, panel or "public body," as that term is defined in the Delaware Freedom of Information Act, 29 Del. C. § 10002(a), including, but not limited to, the Departments of Finance, State, Labor, and Natural Resources and Environmental Control of the State of Delaware, the United States Environmental Protection Agency, the United States Department of Labor, the National Labor Relations Board or any other agency of the federal government having custody of information deemed pertinent by DEDO or the Authority staff or attorneys.

I, the undersigned, being duly sworn upon my oath say:

This application, including all attachments and exhibits, is the product of diligent and reasonable investigation that I have either overseen, or in which I have been personally involved.

I have **carefully read** this application, including all attachments and exhibits, and the information contained in this application, including all attachments and exhibits, is true, accurate and complete to the best of my information and belief.

I am a "high managerial agent" of the Applicant, as defined in 11 Del. C. §284(b), and I am acting within the scope of my employment and in behalf of the Applicant.

I understand that if I have intentionally made a false statement in this application, or someone else has made a false statement herein that I know or believe to be false, I am subject to criminal prosecution. Further, the Authority, at its option, may terminate its financial assistance.

NAME OF APPLICANT/ORGANIZATION

:

SIGNATURE OF THE REPRESENTATIVE OF THE APPLICANT:

:

NAMES

(PRINT):

TITLE: _____ DATE: _____

State of _____)

) ss

County of _____)

Signed and sworn to (or affirmed) before me on _____, 20__ by _____
(Representative of Applicant)

Notary Public
[SEAL]

My Commission expires: _____

SUMMARY OF EXHIBITS

A.	Certificate of Good Standing	(Page 4)
B.	Business License	(Page 4)
C.	Background Information	(Page 5)
D.	Financial Statement	(Page 7)
E.	Description of Project	(Page 7)
F.	Proforma Balance Sheets	(Page 7)
G.	Sales Contract	(Page 8)
H.	New Construction Description	(Page 8)
I.	Rehabilitation Description	(Page 8)
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K.	Expenditures Incurred	(Page 11)
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Sample Bank Letter of Intent

Date

RE: Delaware Economic Development Authority Industrial Revenue Bond

Dear {Borrower}

We are pleased to advise you that, subject to the terms and conditions set forth herein, we hereby express our intent to provide the credit support necessary to qualify _____ {name of beneficial owners or developer} for a industrial revenue bond to be located at {location of project}.

This letter of intent (the "letter of Intent") does not constitute a binding commitment by {name of bank} ("the bank") to provide credit support and is not pre-advice for the issuance of a letter of credit. Furthermore, the bank cannot and does not extend any lending commitment until formal approval is obtained and a commitment letter is issued. This letter is subject to the following conditions:

- (a) The statutory and other requirements by which we as a banking association are governed;
- (b) The approval by DEDA of your loan application
- (c) Bank review of all DEDA loan documents
- (d) The bank's due diligence review and consideration by the bank's credit committee
- (e) Finalization of the terms and conditions of the credit support (if the credit is approved by the Bank)
- (f) Your acceptance of this letter of intent and use of the same for the sole purpose of making an application to DEDA for industrial revenue bond.

We understand that the Letter of Intent is a required component of the DEDA Industrial Revenue Bond Application Process, however we cannot proceed with our credit analysis of your company and your project until such time as we receive from you the necessary information, as we request, to evaluate and approve the credit facility and the financing documents.

Sincerely,

Issuing Bank